Western Climate Initiative

*Arizona   British Columbia California Manitoba   Montana
New Mexico   Oregon   Quebec   Utah   Washington*

FOR IMMEDIATE RELEASE   **CONTACT**
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States, Provinces Taking Action to Curb Climate Change

Western Climate Initiative Releases Draft Recommendations for Program to Reduce Greenhouse Gas Emissions

Today, Western Climate Initiative (WCI) Partners released their consolidated draft recommendations for the design of a joint system to reduce climate-changing greenhouse gases, and meet their regional goal to roll back those emissions 15 percent below 2005 levels by 2020.

The Partners' draft recommendations call for a regional cap-and-trade program, in addition to the regulations, incentive programs, fee and tax programs, and voluntary programs currently under way or planned in the region. Under a cap-and-trade program, a cap is set to ratchet down greenhouse gases (GHG). Emitters then cut their pollution to meet the cap. To ensure maximum emission reductions at least cost, emitters that can't feasibly or cost-effectively reduce their pollution may purchase credits from emitters that have reduced pollution beyond the required amount, as long as the cap is not exceeded.

WCI Partners are focusing on developing a regional program that builds on the strength of consistent local approaches, while understanding that each partner must have flexibility to implement the program in a way that addresses their jurisdiction's unique characteristics. Partners also want the program to promote clean and renewable energy in the region, stimulate economic investment and new jobs, and reward innovations.

The draft recommendations encompass the work done to date by five WCI subcommittees. The consolidated document released today includes some revised recommendations including:

- Further defining what emitters should be included in the cap-and-trade program.

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- Further defining how offsets -- reductions taken by entities outside the cap-and-trade program -- should be recognized by the program.

Significant work remains for the WCI, including identifying the point of regulation for electricity producers and specifying how emission allowances will be distributed.

The draft of the consolidated recommendations is available for review at www.westernclimateinitiative.org. Comments can be submitted via the website through June 6, 2008.

WCI will hold a stakeholder workshop May 21 in Salt Lake City. Those who can't attend in person can participate via an online webinar. The registration link for the workshop and the webinar is http://www.regonline.com/Checkin.asp?EventId=608730.

Work on the regional cap-and-trade program began in February 2007. At that time, the governors of Arizona, California, New Mexico, Oregon, and Washington created WCI with a long-term commitment to significantly reduce regional GHG, thus lowering the risk of dangerous threats to the climate. Science suggests that this will require worldwide reductions between 50 and 85 percent in carbon dioxide emissions from current levels by 2050.

As part of this commitment, in August 2007 WCI Partners established their regional GHG emissions reduction goal. They also agreed to complete the first phase of work on the multi-sector market-based mechanism by the late summer 2008 to help reach the goal. Each Partner is also participating in The Climate Registry, a multi-state GHG emissions registry.

The regional goal reflects the combined impact of emissions reduction goals set by each WCI Partner. It does not replace Partners' individual goals.

Since WCI first formed, the states of Utah and Montana and the Canadian provinces of British Columbia, Manitoba and Quebec have joined. Observers of WCI's work include the states of Alaska, Colorado, Idaho, Kansas, Nevada, and Wyoming, the Canadian provinces of Ontario and Saskatchewan, and the Mexican border states of Baja California, Chihuahua, Coahuila, Nuevo Leon, Sonora, and Tamaulipas.

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